

RESOLUTION OF BOSTON REDEVELOPMENT AUTHORITY AUTHORIZING FILING OF AMENDATORY APPLICATION FOR LOAN AND CAPITAL GRANT FOR PROJECT NO. MASS. R-92

WHEREAS, the Boston Redevelopment Authority is party to a Loan and Capital Grant Contract with the United States dated June 9, 1966, as amended;

WHEREAS, it is necessary and in the public interest for purposes of Project No. R-92 described in said contract (hereinafter referred to as the "Project"), that the Loan and Capital Grant be increased to provide for additional loan and grant assistance; and

WHEREAS, Title VI of the Civil Rights Act of 1964, and regulations of the Federal Department of Housing and Urban Development effectuating that Title, provide that no person shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in the undertaking and carrying out of urban renewal projects assisted under Title I of the Housing Act of 1949, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That an application to amend the Loan and Grant Contract No. Mass. R-92, dated June 9, 1966, as amended, for the purpose of seeking an increase of the Project Temporary Loan from \$13,359,985 to \$23,797,892, an increase of the Project Capital Grant from \$11,507,235 to \$21,945,142 is hereby approved, and that the Development Administrator is hereby authorized, for and on behalf of the Authority, to execute and file such Amendatory Application with the Department of Housing and Urban Development, and to provide such additional information and furnish such documents as may be required by said Department.

2. That the United States of America and the Secretary of the Department of Housing and Urban Development be, and they hereby are, assured of full compliance by the Authority with regulations effectuating Title VI of the Civil Rights Act of 1964.

MEMORANDUM

TO: Boston Redevelopment Authority

FROM: Hale Champion, Development Administrator

DATE: September 19, 1968

SUBJECT: Increase in South Cove Project Expenditures Budget

Development costs in the South Cove Project have greatly exceeded the estimate approved at the time of H.U.D. acceptance on April 22, 1966. Therefore, it is necessary to submit a revised Project Expenditures Budget and request an amendment to the Loan and Grant Contract increasing the total Federal Capital Grant by \$10,437,907 and the Project Temporary Loan by a like amount.

This increase is attributable primarily to the following:

- 1) Increased cost of real estate purchases resulting from court settlements in excess of original estimates and generally higher appraisals on properties yet to be acquired (\$3,083,000).
- 2) Required additional work not included in original budget (\$1,590,000), plus increases in unit costs and revised estimates of quantities and engineering expense (\$170,000).
- 3) Increased costs for site clearance work requires an additional (\$750,000). Relocation of M.B.T.A. power lines will require the additional expenditure of \$390,000 to cover higher labor costs plus an increase in the scope of the work to be performed, not reflected in original budget.
- 4) Increased interest costs resulting from higher rates and need for longer period of borrowing (\$980,000).
- 5) Increased administrative expenses that will result from extension of project execution by 24 months and annual increases in the cost of doing business (\$708,000).
- 6) To eliminate Survey and Planning budget overrun resulting from the repayment of G.N.R.P. advance required by the Department of Housing and Urban Development (\$305,000).

I recommend the Authority adopt the attached Resolution authorizing the filing of an amendatory application for a Temporary Loan and Capital Grant Contract.

Att.

